

Transportation Funding Legislative Advocacy

The County of Los Angeles (County) relies on State gas tax revenues from the Highway Users Tax Account (HUTA) to fund on-going operation and maintenance, safety, and capital improvements of critical transportation infrastructure across the region.

In the current fiscal year (FY 2015-16), the County is projected to receive \$150 million in State gas tax revenue, which reflects a decrease of \$40 million compared to FY 2014-15 and \$59 million below the amount received in FY 2013-14. The County's FY 2016-17 gas tax revenues could be at least an additional \$5 million less than FY 2015-16. The trend of lower gas tax revenues is expected to continue for the next two to three years. These reductions will severely hamper the County's ability to deliver ongoing operation and maintenance programs critical for the safety and quality of life of our communities and to implement needed infrastructure repairs and improvements.

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The Governor's 2016-17 Proposed Budget reflects the Governor's transportation funding package, introduced in late-2015, that would provide \$36 billion over the next decade to improve the maintenance of highways and roads, expand public transit, and improve critical trade routes. Additionally, there are two bills pending in the Legislature (SBx1 1 by Senator Beall and AB 1591 by Assemblymember Frazier) that propose to generate increased revenues for transportation funding. These three proposals include various combinations of existing revenues, new revenues from fees and/or taxes, streamlined project delivery, accountability measures or State department efficiencies.

It is anticipated that the Legislature will introduce additional transportation funding bills. The County should be actively engaged in the discussions about transportation funding to ensure that the County and other local jurisdictions have the resources necessary to maintain and expand the County's transportation infrastructure.

WE THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

- 1) Instruct the Chief Executive Officer and the Sacramento advocates to support transportation funding proposals, including from new fees and taxes, or legislation that identifies a sufficient and permanent funding source for local street, local road, and state highways maintenance and rehabilitation to ensure

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the safe and efficient mobility of the traveling public and the economic vitality of California; and

2) The transportation funding proposals should adhere to the following priorities:

- Makes a significant new investment in transportation infrastructure that would remain in place for at least 10 years or until an alternative method of funding our transportation system is agreed upon;
- Focuses on maintaining and rehabilitating the current system of local streets and highways to attain a transportation network that is safe for all users;
- Recognizes the critical importance of public transit systems and goods movement infrastructure to environmental sustainability and economic well-being; and
- Provides for a roadway maintenance funding formula that equitably distributes revenue between the State and local governments and, consistent with current and historical practices, provides new revenues to local governments via direct subventions for investment in local streets and roads;
- Raises revenues through a package that utilizes multiple funding sources, including fuel taxes, license fees, and registration fees;
- Provides strong accountability requirements to protect the taxpayers' investment.

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